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SENSITIVE  
SIPDIS

PM/DTCC BLUE LANTERN COORDINATOR

E.O. 12958: N/A  
TAGS: [ETTC IN KOMC](#)  
SUBJECT: RESPONSE TO BLUE LANTERN REQUEST: PRE-LICENSE  
END-USE CHECK ON APPLICATION 00501187827

REF: SECSTATE 101893

¶1. (SBU) Per REFTEL, the purchase order under license number 00501187827 was placed by the Automotive Research Association of India (ARAI). Econoffs from Embassy New Delhi and Consulate Mumbai have made inquiries and confirming the order and establishing the bona fides of ARAI.

¶2. (SBU) On November 17, Econoff from Consulate Mumbai contacted ARAI and spoke to Mr. Arun Komawar from the Automotive Electronics Department. Mr. Komawar said ARAI is the oldest India-wide automotive testing facility and all auto manufacturers in India are required to obtain certification from the organization for their vehicles. ARAI originally ordered the amplifier in question two to three years ago for use in research and testing of automobile electronic components in an echo chamber. Mr. Komawar said that just as the EU has ECE R10 standard certification for vehicles India has 004 Standards that require these tests. About four months after the amplifier arrived from Amplifier Research Corporation (ARC), Mr. Komawar found that a main component of the amplifier was damaged and not functioning, part of a tube. This part cannot be repaired in India so ARAI returned it to ARC for repairs. They are now awaiting the return of the amplifier for testing of vehicles. Mr. Komawar said they also have previously ordered other amplifiers from the same organization for the same purposes. According to Mr. Komawar, ARAI does not resell these items and uses them exclusively for internal testing purposes. The laboratory works closely with the Ministry of Heavy Industry (MoHI), which provides funds for the purpose of purchasing equipment like the amplifier. On November 20, Econoff spoke again with Mr. Komawar and inquired as to why ARAI needed military-grade equipment for ARAI,s testing. Mr. Komawar responded that whether or not the equipment was considered military grade had not been a consideration in ARAI,s decision to make the purchase, that it was just the equipment necessary to perform testing. Mr. Komawar reaffirmed that ARAI has purchased equipment from the supplier before, and this was a repair of previously-purchased amplifier.

¶3. (SBU) On November 20, Econoff from Embassy New Delhi met with Joint Secretary (J/S) Ambuj Sharma at the MoHI, which is responsible for ARAI. The Government of India (GOI) is a sponsor of the ARAI, in effect, it controls ARAI through ARAI,s governing council, which it appoints. A government official sits at the head of this council. J/S Sharma fully endorsed ARAI and noted that the organization is completely "above the board" and legitimate. ARAI conducts R&D for the auto sector and also conducts "homologation," which the J/S explained is the certification of all auto components to meet quality and safety standards. Although J/S Sharma was not

familiar with the technical aspects regarding the amplifier, he assured that ARAI does not resell equipment and would by no means be involved in any diversion or retransfer.

14. (SBU) Post recommends that this case be closed as favorable on the basis that ARAI appears by all accounts to be a legitimate, government-sponsored organization. It does not appear that the amplifier will be used or resold for military purposes. Provided DTCC has no further questions, Post will consider this case closed.  
ROEMER